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HONORABLE JUDGE  
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4 Attorney for Defendants  
5 GERALD ARMSTRONG and  
6 THE GERALD ARMSTRONG CORPORATION

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA

9 FOR THE COUNTY OF MARIN

10

11 CHURCH OF SCIENTOLOGY INTERNATIONAL, )  
a California not-for-profit )  
12 religious corporation, )

No. 157 680

13 Plaintiff, )

DEFENDANTS' REPLY  
MEMORANDUM OF POINTS AND  
AUTHORITIES IN SUPPORT OF  
MOTION FOR STAY PENDING  
COORDINATION PROCEEDINGS

14 vs. )

15 GERALD ARMSTRONG; MICHAEL WALTON; )  
THE GERALD ARMSTRONG CORPORATION, )  
16 a California for-profit )  
corporation; DOES 1 through 100, )  
17 inclusive, )

Date: November 12, 1993  
Time: 9:00  
Dept: One  
Trial Date: None Set

18 Defendants. )

19 \_\_\_\_\_ )

20 ARGUMENT

21 Scientology contends that discovery should not be stayed  
22 because the Marin action is "entirely separate" from the instant  
23 action and involves "different questions of fact and law."

24 (Opposition Memo. at p. 2:1-3.)

25 This argument, like the argument set forth in Scientology's  
26 opposition to coordination, is inapposite inasmuch as it ignores  
27 the fact that the Marin action is necessarily predicated upon the  
28 success of the consolidated Los Angeles action for its legal

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1 efficacy. <sup>1/</sup>

2 Scientology's argument that "[t]ime is of the essence in  
3 fraudulent conveyance actions" is dishonest. First, Armstrong  
4 disclosed in deposition on July 22, 1992, that he had transferred  
5 his property and assets to others. <sup>2/</sup> Then, on February 23, 1993,  
6 Michael Walton testified that Armstrong had transferred his  
7 interest in Fawn Drive to him around the time of Desert Storm.  
8 (Exhibit B to Greene Decl.) From Armstrong's initial disclosure,  
9 Scientology waited for over one year to file and serve the instant  
10 lawsuit. Such delay belies the claim that "time is of the  
11 essence" and Scientology needs to do discovery in order to protect  
12 itself. <sup>3/</sup>

13 Gerald Armstrong is Ford Greene's sole assistant, lives in  
14 Marin and is going nowhere. This lawsuit was filed on July 23,  
15 1993 in order to retaliate against and punish Armstrong for  
16 submitting a declaration executed June 4, 1993, detailing some of  
17 his knowledge of Scientology's abusive litigation practices in  
18 support of Lawrence Wollersheim's special motion to strike in the  
19 litigation entitled Church of Scientology International v.  
20 Wollersheim Los Angeles Superior Court Case No. BC 074 815.

21  
22 <sup>1</sup> Armstrong incorporates by reference the arguments set  
forth in his papers seeking coordination.

23 <sup>2</sup> On July 22, 1992, Armstrong testified that he had been  
24 guided by God to give away all of his assets in August 1990,  
including cash, property and stock. (Exhibit A to Greene Decl.,  
25 Armstrong Depo. at pp. 266-270.)

26 <sup>3</sup> Similarly, Scientology's suggestion that Armstrong and  
Walton manipulated Scientology not to oppose Solina Walton's  
27 motion to expunge the lis pendens is false. (See Reply  
Declaration of Attorney James R. Langford, III, In Support Of  
28 Motion and Reply Declaration of Robert L. Taylor In Support Of  
Motion to Commence Coordination Proceedings.)



1 (Exhibit C to Greene Decl.)

2 The commencement of coordination and the grant of stay  
3 pending such commencement will ensure that all the litigation  
4 between Scientology and Armstrong is in the same place and will  
5 reduce waste of the litigation system to a minimum.

6 **CONCLUSION**

7 Scientology has failed to raise any meaningful argument  
8 against a stay pending coordination of the Marin action with the  
9 consolidated Los Angeles action. Therefore, it is respectfully  
10 submitted that the Court should grant Armstrong's motion ~~to~~ for a  
11 stay pending the commencement of coordination proceedings.

12 DATED: November 8, 1993

HUB LAW OFFICES

13  
14 By: 

FORD GREENE

Attorney for Defendant and  
Petitioners GERALD ARMSTRONG  
and THE GERALD ARMSTRONG  
CORPORATION

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PROOF OF SERVICE

I am employed in the County of Marin, State of California. I am over the age of eighteen years and am not a party to the above entitled action. My business address is 711 Sir Francis Drake Boulevard, San Anselmo, California. I served the following documents: DEFENDANTS' REPLY MEMORANDUM OF POINTS AND AUTHORITIES IN SUPPORT OF MOTION FOR STAY PENDING COORDINATION PROCEEDINGS

on the following person(s) on the date set forth below, by placing a true copy thereof enclosed in a sealed envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California:

Andrew Wilson, Esquire PERSONAL  
WILSON, RYAN & CAMPILONGO  
235 Montgomery Street, Suite 450  
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Laurie J. Bartilson, Esq. MAIL  
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Paul Morantz, Esq. MAIL  
P.O. Box 511  
Pacific Palisades, CA 90272

Michael Walton PERSONAL  
707 Fawn Drive  
San Anselmo, CA 94960

- (By Mail) I caused such envelope with postage thereon fully prepaid to be placed in the United States Mail at San Anselmo, California.
- (Personal) I caused said papers to be personally service on the office of opposing counsel.
- (State) I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

DATED: November 9, 1993